



## UNITED STATES MARINE CORPS

MARINE CORPS RECRUITING COMMAND  
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IN REPLY REFER TO  
7100  
COMPT  
12 Jun 02

### COMMANDING GENERAL'S POLICY LETTER 8-02

From: Commanding General  
To: Distribution List

Subj: FISCAL POLICIES

Ref: (a) CG's Policy Letter 9-02 Command Accountability - Quarterly  
Financial Reporting Requirement

1. Situation. Future funding levels are expected to remain constrained, and we have a continuing obligation to ensure that all funds are spent and tracked wisely. This letter outlines basic fiscal policies for budget planning and execution, cost savings and efficiencies, and funds accounting.

2. Mission. Region Commanders are to ensure that all commands continuously work to improve budget planning and execution, endeavor to save funds for realignment to higher priorities where possible, and better track spending to ensure full utilization of all funds provided.

### 3. Execution

a. Commander's Intent. In order to take the Marine Corps Recruiting Command (MCRC) to the next level of organization - through greater effectiveness and efficiency - more leadership, accountability, and better business practices will be required in the area of financial management. My intent is to provide all funding resources through the chain of command. To achieve unity of command and effort throughout the command, effective 1 October 2001, all Operation and Maintenance (O&M) funds have been allocated to each Region CG for subsequent control and reallocation to each District and Recruiting Station as required. End state: A significantly improved financial management system with all levels of leadership fully engaged in fiscal awareness and accountability.

### b. Concept of Operations/Guidance

(1) Budget Planning. MCRC currently receives O&M funding in the following fund code areas: Recruiting Support (Regular and Reserve), Advertising (Regular and Reserve), Base Operations, MCJROTC, and Facilities Sustainment Restoration and Maintenance (FSRM)- 1st MCD only.

(a) For each fund code area, commanders are to conduct thorough financial planning - accounting for all known requirements and changes (increases and decreases).

Subj: COMMAND ACCOUNTABILITY - FISCAL POLICIES

(b) Commanders completed financial plans will reflect the funding of all critical functions within the funding ceilings provided.

(c) Commanders are to strive to allocate funding to the lowest accountable level responsible for generating the associated requirements, for example, providing all funding for RS vehicles and phones to the RS Commander. This helps ensure the appropriate awareness, performance, and accountability for the funding involved.

(d) Commanders are to develop financial plans based on the assumption that additional funds will not be available during the fiscal year (FY). MCRC will strive to provide all available funds at the beginning of the FY.

(e) Commanders, therefore, as necessary, are to establish and manage funding reserves within their financial plans, both to exploit emerging opportunities and also to respond to any unanticipated requirements.

(2) Budget Execution/Spending

(a) Commanders are to execute operations within budget, and will not spend more funds (overobligate) than they are authorized through the current quarter. Region and District commanders also have legal responsibilities in this regard.

(b) Commanders are to ensure that each fund code is used for the purpose intended. In this regard, specific cost account codes (CACs) applicable to each fund code have been provided.

(c) Commanders are to request realignment of funds, between quarters or fund codes, from this headquarters.

(d) Commanders are to ensure that every requisition or request for supplies or services, to include TAD requests, is reviewed and approved at the appropriate level in the chain of command before any funds are committed. This is especially critical for TAD orders - each trip should contribute significantly to mission accomplishment.

(e) Commanders at every level must know how their funds are spent and how that spending compares to their financial plans. All commanders, therefore, are to receive routine (at least monthly) status of funds briefs from their staff/subordinate commands. At the end of each quarter, a detailed evaluation of all spending and accounting will be accomplished in order to review any significant variations from the plan, correct any problems, and adjust the future quarter's plans accordingly.

Subj: COMMAND ACCOUNTABILITY - FISCAL POLICIES

(3) Cost Savings/Efficiencies

(a) Commanders must ensure that all personnel maximize all available cost savings and efficiency measures in concert with mission accomplishment.

(b) Commanders are to ensure that all applicable cost savings and efficiency measures listed in the FY 02 OPLAN (Annex D, Appendix 5) are exploited, as applicable.

(c) Commanders are to focus on reducing the costs of attrition, to include MEPS "no-show" and "disqualification" rates, vehicle accidents, marginal TAD conferences/trips, and non-essential SUVs.

(d) Commanders must reduce unnecessary costs in order to fund new leadership initiatives, as well as to facilitate the funding of other, less-funded areas, such as furniture replacement.

(e) Commanders must also share all new savings ideas and initiatives to ensure their full exploitation throughout the command. Such sharing ultimately means more funds for all commands.

(f) Commanders must thoroughly review internal controls in all functional areas in order to minimize the potential for fraud, waste and abuse, and to improve their internal procedures/efficiencies.

(4) Funds Accounting. The tracking of funds through the reconciliation and validation processes requires significant attention to detail. These actions will also help prevent the unnecessary loss (reversion) of funds after the FY is over.

(a) Commanders must ensure that memorandum records are meticulously maintained and balanced against the official accounting records (in Standard Accounting Budgeting Reporting System - SABRS) to ensure that all authorized funds are fully utilized.

(b) Commanders must ensure that all supplies and services ordered are actually received, and equally important, that the bills for such requirements are fully paid.

(c) Commanders must ensure that all fiscal records are closely monitored to ensure full completion, to include any appropriate cancellation/adjustments. It is not enough just to obligate funds.

c. Tasks

(1) Commanders are to develop and submit financial plans (by CAC for each fund code area) as outlined in the annual budget data calls. Commanders are to ensure such plans are internally updated as required when circumstances dictate.

Subj: COMMAND ACCOUNTABILITY - FISCAL POLICIES

(2) Commanders are to strive to request any required quarterly funding realignments by the middle of each quarter.

(3) Commanders are to also ensure accurate CAC usage (discipline) and correct any inaccuracies expeditiously, at the end of each quarter at a minimum.

(4) Commanders are to develop an appropriate system of internal controls to ensure the proactive management and accountability of all funds provided.

(5) Commanders are to ensure an accurate and thorough quarterly validation of all fiscal/accounting records (monthly in the 4th quarter).

(6) Commanders are to track all cost savings/efficiencies and report them to this headquarters, as outlined in the reference.

(7) Commanders are to ensure that all financial performance standards outlined in the annual OPLAN are met.

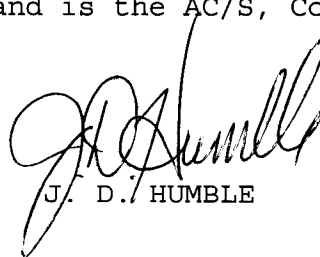
(8) Region commanders will ensure the submission of quarterly financial reports, as outlined in the reference.

4. Administration and Logistics. Quarterly financial reports, outlined in the reference, are due to this headquarters from the Regions by the 30th of the month following the end of the quarter.

5. Command and Signal

a. Command Relationships. Command relationships remain the same.

b. Signal. POC at this command is the AC/S, Comptroller, at DSN 278-9458/9.



J. D. HUMBLE

Distribution: A/D